



# ORDINANCE NO. 513 AMENDING THE 2009-2010 BUDGET

Finance Department

Tabatha Miller

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# TONIGHT...

- Asking Council to take action on Ordinance #513 – amending the 2009-2010 Adopted Budget
  - Council Options:
    1. *Vote on Ordinance as proposed by Staff*
    2. *Vote on Ordinance incorporating Council changes from tonight*
    3. *Table Motion on Ordinance #513, provide Staff additional direction and bring back revisions on July 6<sup>th</sup>*

# UPDATES

- Awarded \$287,000
  - ▣ Gang Enforcement Officers
  - ▣ Adds one position + 2 detectives
- Recommended for STP Federal funds
  - ▣ 1<sup>st</sup> Avenue Phase 2
  - ▣ \$2.5 Million
  - ▣ King County Project Evaluation Committee
  - ▣ Design work underway
  - ▣ Construction in 2010
- Streamlined Sales Tax Mitigation 1<sup>st</sup> Quarter 2009
  - ▣ \$10,259

# ORDINANCE OVERVIEW

- Reduces Revenue Projections by \$4.8 Million
  - ▣ General Fund = \$3.3 Million
  - ▣ Public Works Reserve Fund (REET) = \$1.2 Million
  - ▣ Interest revenue in all funds = \$300k
- Moves Street Fund Revenue to General Fund = \$1.4 Million
- Recognize additional Operating Expenses of \$1.1 Million
- Reduces Operating Expenses by \$1.9 Million
  - ▣ General Fund \$1.8 Million
  - ▣ Street Fund \$90k
- Moves debt payments from Public Works Reserve Fund (REET) to Capital Project Reserve Fund (Property Tax)
- Uses Discretionary Fund Balance \$1.3 Million

# REDUCED REVENUE PROJECTIONS

Revenue Source	2009-2010 Total Adjustment
Sales Tax	(\$1,387,000)
Business & Occupation Tax	(\$200,000)
Utility Taxes	(\$412,000)
License & Permit Fees	(\$300,000)
Fees for Service	(\$503,000)
Gambling Taxes	(\$511,000)
Miscellaneous Funds Interest	(\$302,541)
Real Estate Excise Tax	<u>(\$1,189,076)</u>
Total	<u><u>(\$4,804,617)</u></u>

# PROPOSED GENERAL FUND ADJUSTMENTS

Proposed Expenditure Reduction	2009-2010 Adjustment
Office Supplies	(\$49,817)
Travel Expenditures	(\$19,433)
Sheriff's Contract	(\$580,000)
Benefits & Salary Controls	(\$404,254)
Community Support	(\$81,600)
Memberships for Economic Development	(\$41,848)
Move Econ Dev. Activities to Business License Funds	(\$80,000)
Professional Services:	
<i>MIS Plan</i>	(\$100,000)
<i>Reduced Lobbyist (Federal &amp; State)</i>	(\$120,000)
<i>Reduce Department Purchased Services</i>	(\$199,038)
<i>Reduce Attorney Presence @ Council Meetings</i>	(\$31,590)
<i>Parks Maintenance</i>	<u>(\$110,464)</u>
Total	<u>(\$1,818,007)</u>

# PROPOSED STREET FUND ADJUSTMENTS

Proposed Expenditure Reduction	2009-2010 Adjustment
Professional Services	(\$20,000)
Street Maintenance	(\$10,000)
Neighborhood Traffic Control	(\$60,000)
Total	<u>(\$90,000)</u>

# PROPOSED GENERAL FUND ADJUSTMENTS

Re-allocation of Budgeted Revenues	2009-2010 Total
Garbage Utility Tax	\$732,600
Cable Franchise Fees	<u>\$732,600</u>
Total Revenues Re-Allocations	<u>\$1,465,200</u>
One-Time Resources (\$2 million Discretionary )	2009-2010 Total
Discretionary Fund Balance	<u>\$1,340,104</u>



# PUBLIC WORKS RESERVE FUND

## ADJUSTMENTS

REVENUE	2009-2010 Budget	2009-2010 Updated Projection	Difference
Real Estate Excise Tax	\$1,925,000	\$735,924	(\$1,189,076)
Parks Mitigation Fee	\$64,000	\$64,000	(0)
Misc. Income	<u>\$20,000</u>	<u>\$2,000</u>	<u>(18,000)</u>
Total Revenue	<u>\$2,009,000</u>	<u>\$801,000</u>	<u>1,207,076</u>
<b>Transfers Out</b>			
Transfer to Town Square CIP	\$815,265	\$815,265	(0)
Transfer to Debt Service Fund	<u>\$1,319,735</u>	<u>\$0</u>	<u>(\$1,319,735)</u>
Total Uses	<u>\$2,135,000</u>	<u>\$815,265</u>	<u>(\$1,319,735)</u>

# SOLUTION TO P.W. RESERVE FUND SHORTFALL → CAPITAL PROJECTS RESERVE FUND

REVENUE	2009-2010 Budget	2009-2010 Updated Projection	Difference
Property Tax	\$2,273,000	\$2,273,000	\$0
Interest	<u>\$97,000</u>	<u>\$19,500</u>	<u>(\$77,500)</u>
Total Revenue	<u>\$2,370,000</u>	<u>\$2,292,500</u>	<u>(\$77,500)</u>
<b>Transfers Out</b>			
Transfer to Debt Service	<u>\$723,982</u>	<u>\$2,371,000</u>	<u>\$1,647,018</u>
Contribution to Fund Balance	<u>\$1,646,018</u>	<u>(\$78,500)</u>	<u>(\$1,724,518)</u>

# CAPITAL PROJECTS UPDATES

- Seahurst Drive slope failure
  - \$100,000 expense
  - Offset by \$85,000 in FEMA & State Revenue
- Town Square Project \$1.4 Million Deficit
  - Project funding relied on \$1.2 million land sale
- Transportation CIP
  - Reduced Street Fund revenue = suspended projects
    - Street Overlay, Pedestrian & Bicycle Plan
  - 1<sup>st</sup> Avenue phase II was contingent on federal funding

# Discussion and Action

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## COUNCIL OPTIONS:

1. Vote on Ordinance as proposed by Staff
2. Vote on revise Ordinance w/ the following changes incorporate...
3. Table Ordinance, provide Staff direction and take action on July 6th